

## METROPOLITAN DEVELOPMENT COMMITTEE

DATE: April 12, 2010

CALLED TO ORDER: 5:31 p.m.

ADJOURNED: 6:59 p.m.

### ATTENDANCE

#### Attending Members

Janice McHenry, Chair  
Paul Bateman  
Virginia Cain  
Jeff Cardwell  
Brian Mahern  
Dane Mahern  
Angel Rivera  
Michael Speedy

#### Absent Members

Jose Evans

### AGENDA

PROPOSAL NO. - 89, 2010 - amends the Wellfield Protection Zoning Ordinance to revise the definition of "technically qualified person," to re-assign agency responsibilities for re-evaluation of wellfield delineation boundaries, and for administration of the groundwater protection fee (2009-AO-05)

"Do Pass"

Vote: 9-0

PROPOSAL NO. 117, 2010 - appropriates \$11,036,100 in the 2010 Budget of the Department of Metropolitan Development (Federal Grants Fund) to fund costs related to the development of affordable rental housing and the rehabilitation of foreclosed or abandoned homes

"Do Pass"

Vote: 9-0

## METROPOLITAN DEVELOPMENT COMMITTEE

The Metropolitan Development Committee of the City-County Council met on Monday, April 12, 2010. Chair Janice McHenry called the meeting to order at 5:31 p.m. with the following members present: Paul Bateman, Virginia Cain, Jeff Cardwell, Brian Mahern, Dane Mahern, and Angel Rivera. Michael Speedy arrived shortly thereafter. Jose Evans was absent. Robert Elrod, General Counsel, was also present.

PROPOSAL NO. 89, 2010 - amends the Wellfield Protection Zoning Ordinance to revise the definition of "technically qualified person," to re-assign agency responsibilities for re-evaluation of wellfield delineation boundaries, and for administration of the groundwater protection fee (2009-AO-05)

Dave Hirschle, Senior Planner, Department of Metropolitan Development (DMD), said that this ordinance proposes a shift of responsibilities for the administration of the Wellfield Protection Ordinance. Those responsibilities were with The Department of Public Works (DPW), Office of Environmental Services, but this office has been eliminated, and so Proposal No. 89, 2010 will send the Wellfield Protection Zoning duties to DMD. Mr. Hirschle said that these duties were moved to DPW about six years ago, but before that they were with DMD, and now they are moving back to DMD. He said that there are five changes in this ordinance, and the first shifts responsibility for re-evaluating Wellfield boundaries. The ordinance will also delete the Board of Public Works as a body to which the reports are presented. Those reports will still be presented to the chair of the Metropolitan Development Committee and to the Metropolitan Development Commission (MDC). He said that this ordinance also deletes the Board of Public Works as a body to which the Public Water Utilities are presented. The fourth amendment would change the definition of Technically Qualified Person (TQP), which is the person who is responsible for site plan review in the new Wellfield Districts. He said that the current requirement is that the TQP be an employee of DMD or a person with whom DMD has a contract with. Mr. Hirschle said that the last change is transferring the responsibility of administration of the ground water protection fee from the Board of Public Works to MDC. He said that this is the fee that is approved annually by resolution that results in acquisition of fees from each of the public water utilities paid into the ground water protection fund. The ground water protection fund will be for the administration of the Wellfield Protection Zoning Ordinance, the cost of re-evaluating the Wellfield boundaries every five years, and the cost of maintaining the Wellfield education program. He said that having MDC and DMD administer the Wellfield Protection Zoning Ordinance is consistent with the statutory provisions in Indiana Code 36-7-4-14. He said that he also received letters of support from citizens.

Councillor Dane Mahern asked if there will be staffing changes. Mr. Hirschle answered in the negative.

Councillor Brian Mahern said that if most of the work will be performed by a contractor, then this function should remain within DPW. Mr. Hirschle said that it would be too hard to have part of the function with DPW and the other part with DMD. He said that it has never been split between two departments. Councillor Brian Mahern said that moving this function from DPW to DMD would have an effect on the board that have overseen this function for many years and has the expertise that fits with the scope of this function. Mr.

Hirschle said that the Board of Public Works is very environmentally oriented; however, this function started with DMD years ago and was changed to DPW by the last administration.

Larry Vaughn, a member of Concerned Clergy, asked how many Wellfields are located in Indianapolis. Chairwoman McHenry said that there are six different locations throughout Indianapolis. Mr. Vaughn said that he is concerned about the abandoned Citizens Coke Plant. Councillor Brian Mahern said that the Indiana Department of Environmental Management (IDEM) is working to take care of this facility.

Chairwoman McHenry asked if there will be any employees or money transferred between the two budgets when this function is moved to DMD. Mr. Hirschle said that the budget is affected; however, this is a budget-neutral ordinance, and all the funds will come from public water utilities. He said that it will be a maximum of \$200,000.

Mr. Elrod suggested an amendment for Proposal No. 89, 2010 to renumber Sections 6 and 7 as Sections 7 and 8 respectively, and insert a new Section 5 to read as follows:

SECTION 5. Written notice of action on this ordinance as required by IC 36-3-4-14(g)(1) has been waived by the Department of Environmental Management pursuant to IC 36-3-4-14(l) by letter dated April 7, 2010. The Clerk of the Council is directed to give notice pursuant to IC 36-3-4-14(g)(2) to the Department of Environmental Management not later than thirty days after adoption of this ordinance.

Councillor Bateman moved, seconded by Councillor Cain, to "Amend" Proposal No. 89, 2010 as per Mr. Elrod's suggestion. The motion carried by a vote of 8-0.

Councillor Brian Mahern said that he has concerns about critical over-sight of this function and is requesting additional information.

Councillor Rivera said that he is opposed to the postponement of this proposal.

Councillor Speedy asked if this ordinance is time sensitive. Tammara Tracey, Division of Planning, DMD, said that the time is not crucial, but it is important to understand that the Code is currently identifying an agency that no longer exists.

Councillor Bateman said that additional information is requested, and this ordinance is not time sensitive, so he is in favor of postponing this ordinance.

Councillor Cardwell said that postponing this ordinance would leave this function under a division that no longer exists.

Councillor Brian Mahern moved, seconded by Councillor Dane Mahern, to "Postpone" Proposal No. 89, 2010. This motion failed by a vote of 4-4, with Councillors Cain, Cardwell, Rivera, and Speedy casting the negative votes.

Councillor Cain moved, seconded by Councillor Cardwell, to send Proposal No. 89, 2010 to the full Council with a "Do Pass as Amended" recommendation. The motion carried by a vote of 5-3, with Councillors Bateman, Brian Mahern, and Dane Mahern casting the negative votes.

Councillor Dane Mahern said that he is concerned about giving up local control and not having experts in the field when it comes to water quality.

PROPOSAL NO. 117, 2010 - appropriates \$11,036,100 in the 2010 Budget of the Department of Metropolitan Development (Federal Grants Fund) to fund costs related to the development of affordable rental housing and the rehabilitation of foreclosed or abandoned homes

Jenny Fults, Administrator, Division of Economic Development, DMD, said that there are two grant programs that make up this ordinance, and both of these grants comes from Housing and Urban Development (HUD). She said that \$8.8 million of this request is for the Neighborhood Stabilization Program (NSP). The funds were awarded in March of 2009 to purchase foreclosed and abandoned properties, demolished blighted structures, and redevelop properties in order to stabilize neighborhoods, which will save the decline in house values. She said that HUD has amended the regulation and provided clarification on regulatory requirements, which requires DMD to re-program some of the funds. The biggest change is the clarification of the obligation requirement. The regulations require 100 percent of the award to be obligated by September 24, 2010 and 100 percent to be spent by March of 2013. This ordinance will place the city on track to meet these requirements. Ms. Fults said that \$38,700 will be used to pay a portion of a current DMD employee to help administer these funds and assist with the reporting requirements. She said that this is not a new position, and no employees will be added to the department. The request is to shift some of the responsibilities of a current DMD employee to help with the administration of these funds and pay a portion of their salary. Ms. Fults said that \$8.6 million will be used by the development partners to acquire foreclosed and abandoned properties, demolish those properties that meet the definition of blight, and redevelop properties to sell or lease them to people that earn less than 120 percent of the median family income. He said that 25 percent of the NSP award must go to purchase foreclosed properties and sell or lease them to people below 50 percent of the median family income. In addition, DMD will be acquiring properties and placing them in the City's land bank to hold for future development. She said the NSP portion is \$120,000 for DMD to purchase tax foreclosed properties. The other part of the fiscal ordinance is \$2,237,000 in Community Development Block Grant (CDBG) funds. These funds are available as prior-year rollover funds that were awarded to the city of Indianapolis annually based on a HUD formula. She said in order for the city to receive these funds, the city is required to develop a five-year consolidated plan. She said that the current five-year plan cover the years of 2010 thru 2014. It is a document that is mandated by HUD, which sets forth a strategy on how the city will use these federal funds over that five-year period. She said that \$2.2 million will be used to provide repairs to homes owned and occupied by low income people, to provide home ownership opportunities, and facilitate economic development opportunities. In addition, the CDBG appropriation also requests \$37,400 of Character 01 funding for the shift of the responsibilities of a current DMD employee to

assist with administration of the CDBG Fund. She said that HUD allows a maximum of 20 percent of the total CDBG award to be used for administration, and with the additional \$37,400 the city is still within that cap.

Councillor Mahern asked what percentage the city is at when it comes to the administration cost. Galen Himmelheber, Chief Financial Officer, DMD, said that they are at 19.5 percent.

Councillor Bateman asked what the process is to select the houses to be rehabbed. Ms. Fultz said they held a series of community meetings to help identify the locations where these funds will be spent, and also to define the strategies on how those funds will be spent.

Councillor Speedy asked if all the homes that are targeted for demolition have been identified. Ms. Fultz said that the development partners will demolish some properties, and DMD will demolish properties that meet the criteria of being blighted. Mr. Speedy asked if the properties are single family housing or residential. Ms. Fultz said that residential and single family homes will be targeted. Councillor Speedy asked who will do the work. Ms. Fultz said that the work is done by Community Development Corporations, and they have an application process. She said that the types of repairs that are done are mostly structural repairs.

Councillor Cardwell asked how much progress has been made with the NSP funds granted from last year. Ms. Fultz said that the process is on track and they are starting to see a lot of movement. She said that there has been a lot of acquisition, which was anticipated.

Councillor Bateman asked if there has been talk on preserving the wood and some of the other parts of the house when doing the demolition. Ms. Fultz answered in the affirmative. She said that some of the companies are pursuing a de-construction strategy for demolition. The challenge in that has been finding qualified contractors locally.

David Baird, Wayne Township Trustee, asked if these funds are the same as the CDBG funds in Proposal No. 518, 2009. Ms. Fultz answered in the negative. She said that the funds from that proposal are funds that did not get spent in the prior year. The city receives an annual award from the Federal Government. Mr. Baird said that he would like to get a report that shows where the funds are being spent. Ms. Fultz said that this information is posted on the Division of Economic Development's website, which is [www.indy.gov/DMD](http://www.indy.gov/DMD), and the other way to get this information is through the annual consolidation performance and evaluation report, which is available through HUD and also on the website. She said that a huge portion of these funds are the same funds from Proposal No. 518, 2009. HUD clarified the definition for obligation, and it became necessary to make some changes. Some of the groups that were awarded funds were not able to receive those funds due the definition of obligation. She said those funds were reallocated to qualifying candidates, and this process requires a fiscal ordinance.

Councillor Rivera asked if the quarterly reports are published on the website. Ms. Fults said that they are not published, but this information is public record and will be given upon request.

Councillor Cardwell moved, seconded by Councillor Cain, to send Proposal No. 117, 2010 to the full Council with a "Do Pass" recommendation. The motion carried by a vote of 9-0.

Conclusion

With no further business pending, and upon motion duly made, the Metropolitan Development Committee of the City-County Council was adjourned at 6:59 p.m.

Respectfully submitted,

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Janice McHenry, Chair  
Metropolitan Development Committee

JM/rjp